

Mining and Oil Industries

4.27 We feel strongly that the mineral industry, which has made tremendous contributions in the post-war years in developing Canadian natural resources and the resultant supporting secondary industry, as well as making possible improved balance of payments on merchandise account should not be discouraged from continuing its programs of exploration and development. Nor do we feel that non-resident risk capital should be impeded by "tax reform" from flowing into Canada. Similarly, Canadian capital should be encouraged to seek new mineral and petroleum discoveries in Canada rather than abroad.

4.28 One of the greatest problems to be combatted is the unevenness of employment which continues to waste our manpower resources and tends to limit our productive output. The First Annual Review of the Economic Council of Canada issued in December 1964, under the Chairmanship of John J. Deutsch, outlined these problems at length in chapter 8. It was pointed out, among other things -- that primary industries in Canada had greatly increased our economic output and were most important to our balance of payments position because of large and growing exports. They also facilitated the creation of secondary industry in the areas where they operated resulting in expanded employment opportunities. This, in turn, required increasing and more diversified skills on the part of labour and, in order to maximize production potential, education and retraining facilities were encouraged, and labour should be convinced that greater mobility on its part would result in higher standards of living. This concern for the "supply side" of the labour situation is of the utmost importance. Appendix "D" quotes Economic Council views as well as those of Louis Rasminsky.